

the Office of Management and Budget shall inform the Secretary of the Treasury of such determination, and for such agencies, the Secretary of the Treasury shall prepare the financial statement, or enter into a contract for the preparation of such statement, and shall enter into a contract with 1 or more independent auditors to audit the financial statement required under this section. All requirements of this section shall apply with respect to audited financial statements prepared under this subsection."

(b) **TECHNICAL AND CONFORMING AMENDMENT.**—Section 2 of the Accountability of Tax Dollars Act of 2002 (31 U.S.C. 3515 note; Public Law 107-289) is amended by striking subsection (b).

SEC. 3. CERTAIN FEDERAL ENTITIES WITHOUT ANNUAL AUDITED FINANCIAL STATEMENT REQUIREMENTS.

(a) **DEFINITION.**—In this section, the term "Federal entity" means any entity established in the executive branch, including such an entity that administers a special purpose program or any other entity established by presidential or departmental directive that is not required to prepare an annual audited financial statement.

(b) **ANNUALLY AUDITED FINANCIAL STATEMENTS.**—The Office of Management and Budget shall require each Federal entity that is not statutorily required to prepare an annual financial statement and have the statement independently audited, to submit an annually audited financial statement prepared in accordance with United States generally accepted auditing principles to the Office of Management and Budget.

(c) **REPORT.**—

(1) **IN GENERAL.**—Not later than 90 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit a report described under paragraph (2) to the—

(A) Committee on Governmental Affairs of the Senate; and

(B) Committee on Government Reform of the House of Representatives.

(2) **CONTENT.**—The report under paragraph (1) shall include—

(A) a list of each Federal entity as defined under subsection (a); and

(B) actions taken by the Office of Management and Budget to implement subsection (b).

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act in fiscal year 2005, and each fiscal year thereafter.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3565. Mr. FRIST (for Mr. DEWINE (for himself and Mr. GRAHAM of Florida)) proposed an amendment to the bill S. 2261, to expand certain preferential trade treatment for Haiti.

TEXT OF AMENDMENTS

SA 3565. Mr. FRIST (for Mr. DEWINE (for himself and Mr. GRAHAM of Florida)) proposed an amendment to the bill S. 2261, to expand certain preferential trade treatment for Haiti, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Haiti Economic Recovery Opportunity Act of 2004".

SEC. 2. TRADE BENEFITS TO HAITI.

(a) **IN GENERAL.**—The Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.) is

amended by inserting after section 213 the following new section:

"SEC. 213A. SPECIAL RULE FOR HAITI.

"(a) **IN GENERAL.**—In addition to any other preferential treatment under this Act, beginning on October 1, 2003, and in each of the 7 succeeding 1-year periods, apparel articles described in subsection (b) that are imported directly into the customs territory of the United States from Haiti shall enter the United States free of duty, subject to the limitations described in subsections (b) and (c), if Haiti has satisfied the requirements and conditions set forth in subsections (d) and (e).

"(b) **APPAREL ARTICLES DESCRIBED.**—Apparel articles described in this subsection are apparel articles that are wholly assembled or knit-to-shape in Haiti from any combination of fabrics, fabric components, components knit-to-shape, and yarns without regard to the country of origin of the fabrics, components, or yarns.

"(c) **PREFERENTIAL TREATMENT.**—The preferential treatment described in subsection (a), shall be extended—

"(1) during the 12-month period beginning on October 1, 2003, to a quantity of apparel articles that is equal to 1.5 percent of the aggregate square meter equivalents of all apparel articles imported into the United States during the 12-month period beginning October 1, 2002; and

"(2) during the 12-month period beginning on October 1 of each succeeding year, to a quantity of apparel articles that is equal to the product of—

"(A) the percentage applicable during the previous 12-month period plus 0.5 percent (but not over 3.5 percent); and

"(B) the aggregate square meter equivalents of all apparel articles imported into the United States during the 12-month period that ends on September 30 of that year.

"(d) **ELIGIBILITY REQUIREMENTS.**—Haiti shall be eligible for preferential treatment under this section if the President determines and certifies to Congress that Haiti is meeting the conditions of subsection (e) and that Haiti—

"(1) has established, or is making continual progress toward establishing—

"(A) a market-based economy that protects private property rights, incorporates an open rules-based trading system, and minimizes government interference in the economy through measures such as price controls, subsidies, and government ownership of economic assets;

"(B) the rule of law, political pluralism, and the right to due process, a fair trial, and equal protection under the law;

"(C) the elimination of barriers to United States trade and investment, including by—

"(i) the provision of national treatment and measures to create an environment conducive to domestic and foreign investment;

"(ii) the protection of intellectual property; and

"(iii) the resolution of bilateral trade and investment disputes;

"(D) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, promote the development of private enterprise, and encourage the formation of capital markets through microcredit or other programs;

"(E) a system to combat corruption and bribery, such as signing and implementing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; and

"(F) protection of internationally recognized worker rights, including the right of association, the right to organize and bargain collectively, a prohibition on the use of

any form of forced or compulsory labor, a minimum age for the employment of children, and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

"(2) does not engage in activities that undermine United States national security or foreign policy interests; and

"(3) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities.

"(e) **CONDITIONS REGARDING ENFORCEMENT OF CIRCUMVENTION.**—

"(1) **IN GENERAL.**—The preferential treatment under subsection (b) shall not apply unless the President certifies to Congress that Haiti is meeting the following conditions:

"(A) Haiti has adopted an effective visa system, domestic laws, and enforcement procedures applicable to articles described in subsection (b) to prevent unlawful transshipment of the articles and the use of counterfeit documents relating to the importation of the articles into the United States.

"(B) Haiti has enacted legislation or promulgated regulations that would permit the Bureau of Customs and Border Protection verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

"(C) Haiti agrees to report, on a timely basis, at the request of the Bureau of Customs and Border Protection, on the total exports from and imports into that country of articles described in subsection (b), consistent with the manner in which the records are kept by Haiti.

"(D) Haiti agrees to cooperate fully with the United States to address and take action necessary to prevent circumvention.

"(E) Haiti agrees to require all producers and exporters of articles described in subsection (b) in that country to maintain complete records of the production and the export of the articles, including materials used in the production, for at least 2 years after the production or export (as the case may be).

"(F) Haiti agrees to report, on a timely basis, at the request of the Bureau of Customs and Border Protection, documentation establishing the country of origin of articles described in subsection (b) as used by that country in implementing an effective visa system.

"(2) **DEFINITIONS.**—In this subsection:

"(A) **CIRCUMVENTION.**—The term 'circumvention' means any action involving the provision of a false declaration or false information for the purpose of, or with the effect of, violating or evading existing customs, country of origin labeling, or trade laws of the United States or Haiti relating to imports of textile and apparel goods, if such action results—

"(i) in the avoidance of tariffs, quotas, embargoes, prohibitions, restrictions, trade remedies, including antidumping or countervailing duties, or safeguard measures; or

"(ii) in obtaining preferential tariff treatment."

"(B) **TRANSHIPMENT.**—The term 'transshipment' has the meaning given such term under section 213(b)(2)(D)(iii)."

(b) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after October 1, 2003.

(2) **RETROACTIVE APPLICATION TO CERTAIN ENTRIES.**—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed